



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At the Budget Deliberations held June 16, 2008, the Board took the following action:

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The following matter was called up for consideration:

Report by the Chief Executive Officer and Interim Director of Health Services on the following, as requested by Supervisor Molina at the meeting of April 22, 2008:

1. The prospect of redirecting the \$40 million of Tobacco Settlement funds that are in the Department of Health Services budget as a placeholder to the Public-Private Partnerships (PPP) contracts to be implemented as part of a multi-year expansion project over the next 3 to 5 years;
2. The potential utilization of the \$4.8 million out of the remaining Tobacco Settlement funds to be earmarked for one-time capital infrastructure for the Los Angeles County PPP's; and
3. How the funds could be invested to enhance the County's PPP network.

William T Fujioka, Chief Executive Officer, Dr. Marvin J. Southard, Director of Mental Health, and John F. Schunhoff, Interim Director, Jim Jones, Administrative Deputy Allen Wecker, Acting Chief Financial Officer, and Efrain Munoz, Acting Assistant Chief Financial Officer, Department of Health Services, answered questions posed by the Board.

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After discussion, by common consent, and there being no objection, the Board continued the Chief Executive Officer's report on the potential use of Tobacco Settlement funds for the Public Private Partnership Program to June 17, 2008 at 2:00 p.m.

In addition, the Board requested the Chief Executive Officer and the Interim Director of Health Services to report on the following:

- An accounting of the usage of the Tobacco Tax Funds by line item; and on what the Department of Health Services is proposing for the one time Measure B reserves;
- A comparison of the 2007-08 and 2008-09 Fiscal Forecast, including the projected estimate of what the Department's rollover was, the fund balance, and what the fund balance actually turned out to be;
- Why Rancho Los Amigos National Rehabilitation Center is targeted for closure; and
- A comprehensive report of the Department of Health Services' budget deficit and structural deficit.

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Attachment

Copies distributed:

Each Supervisor
Chief Executive Officer
Interim Director of Health Services
Director Mental Health